CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE 19 December 1952

Comment on formation of new Andhra state in south India

Prime Minister Nehru's announcement in parliament on 19 December that the Indian Government had decided to create a new Andhra state out of the northern Telegu-speaking portion of the present Madras state may eventually create more unrest than it is intended to allay.

On 10 December Nehru stated, in response to oft-repeated demands, that the government would agree to form the new state provided that the contested city of Madras was excluded. By implication, his statement also excluded the Telegu areas of Hyderabad state.

Since 10 December there has apparently been no published response from Andhra leaders to Nehru's proposal. There has, however, been an outbreak of violence, which erupted after the death of Sriramulu, an Andhra leader who had been fasting to force the government's hand on the issue. Nehru's 19 December announcement in parliament therefore appears superficially to have been a defensive measure, since otherwise the initiative for the next move presumably lay with Andhra agitators. Though the announcement may have been designed to present Andhra leaders with an offer of such limited proportions as to elicit a rejection from them, it has an air of capitulation about it. The government has heretofore consistently opposed religious and racial groups whose recognition by the formation of new states would lead to decentralization and weakening of the government's authority

If, as is likely, Telegu leaders accept the government's announced plans, a completely new state administrative machinery will have to be organized and a new state capital must be established in an area devoid of large cities. Existence of the new state will also add considerably to national problems such as that of allocating, rationing and distributing food supplies in deficit regions.

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Furthermore, there is a possibility that Communists can gain control of the new state's government since they are especially strong in this relatively backward, essentially rural, part of Madras and in adjoining Telegu areas of Hyderabad. In this connection, it is of importance to note that all major rail lines connecting south India with Bombay, central India, and Calcutta pass through Andhra territory. A Communist threat to India's communications systems would be only a potential one, however, since the Indian Government has demonstrated its ability to take swift action against Communists when necessary.

According to Nehru's announcement, the government will not take concrete steps until after the end of February 1953, by which time it will have received reports on financial and other matters connected with the establishment of the Andhra state. This will afford the government considerable time for maneuver and delay in implementing its 19 December decision. On the other hand, it has also provided an immediate incentive to all linguistic and religious groups such as the Marathi-speakers of northern Bombay and the Sikhs in the Punjab to renew agitation for separate states. It may also encourage Communist elements by providing apparent evidence of the success of violent tactics.